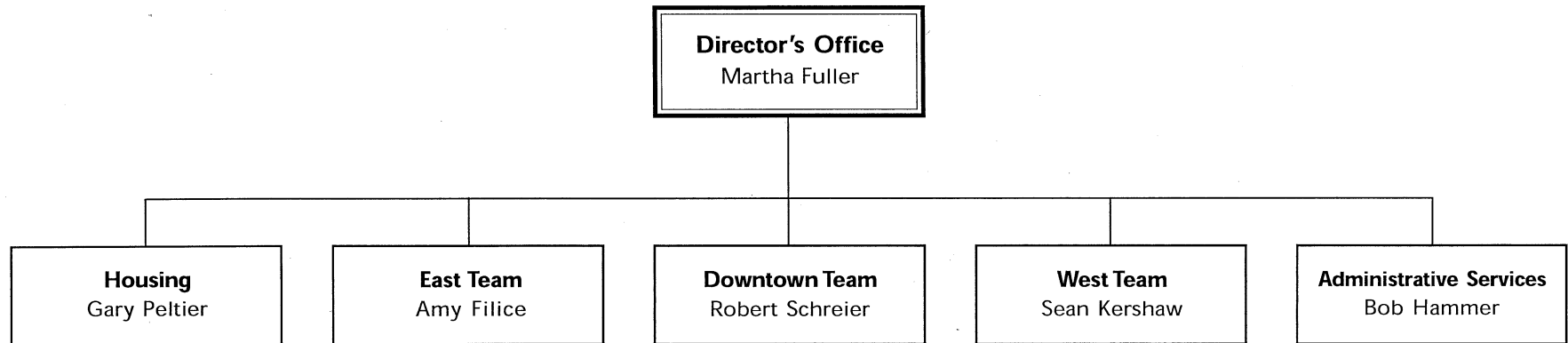


Planning and Economic Development

Mission Statement

In partnership with our community, promote investment and increase value in Saint Paul's housing and economic development initiatives.

Planning and Economic Development



Strategic Plan Accomplishments and 2003 Priorities

Major Accomplishments

PED is efficient at adapting and responding to the community's changing housing and economic development needs. PED's successes are seen in: new and rehabilitated housing units; new or retained jobs; business expansion, retention, and attraction, reclaimed brownfields; additional taxes generated; comprehensive planning for the future; and additional investment leveraged in our community.

In 2002, PED developed a process for the comprehensive listing of all housing activities, grouped by development, pre-development, and conceptual. The listing includes financing, time lines, partners, and responsible staff. The same listing has been completed for all neighborhood planning activities and all economic development initiatives. The result allows PED to provide timely, complete, and accurate information to policy makers and community partners and to better coordinate PED human and financial resources.

Additionally, PED created a Financial Resource Team responsible for tracking revenue streams and providing recommendations on financing alternatives for all PED/Housing Redevelopment Authority (HRA) programs and projects. This focus and coordination of staff allows PED to work more effectively, react quickly to outside initiatives, and provide the Director and elected officials with accurate information.

For the past year, PED truly has done more with less. Faced with more demands for assistance in every arena, the department staffing level has remained constant. And, with possibly the most challenging budget times in the department's 20+ year history, staff continually find innovative and creative ways to secure new financing, best use existing resources, and complete the activities important to the community's well being and growth.

Each of the above examples has reduced costs to the city by reducing the time needed to react and respond to outside requests, provide clear and accurate financial information, and follow the priorities that are consistent with those of the elected officials and community.

2003 Priorities

PED is making the adopted Housing Plan 5000 its top priority in 2003. PED will continue to improve its resource management strategies, secure additional housing and economic development financing with community partners, and streamline and simplify PED's contracting procedures.

Housing

The priority for 2003 is first-year production of new housing units within the city with at least 20% of the units affordable to households with incomes at or below 50% of the area median income. The new production target is 1,332 housing units.

Planning

Anticipated major accomplishments for the next year include:

- Completion of the Riverview Transit Corridor Station Area Plans
- Central Transit Corridor environmental impact statement and station area plans for University\Snelling and University\Lexington
- Downtown Planning Strategy
- Hillcrest Smart Growth Opportunities Strategy
- Arcade Street Commercial and Residential Small Area Plan
- Irving Avenue Zoning Study
- St. Thomas Expansion environmental assessment worksheet
- Methadone Clinic Zoning Study
- Remapping of Floodway Zoning Districts
- Parkland Zoning District Study
- Adoption of the new Urban Village Zoning Study
- Reformatting the Zoning Code

Economic Development

- Significantly expand the leverage of public funds for small business development
- Significantly increase the number of PED-facilitated small business loans
- Development focus on commercial corridors
- Overall improvements to the business climate in Saint Paul through new public\private\nonprofit partnerships and reduction in red tape and bureaucracy

Planning and Economic Development

DEPARTMENT/OFFICE DIRECTOR: MARTHA FULLER

	2000 2ND PRIOR EXP & ENC *	2001 LAST YEAR EXP & ENC *	2002 ADOPTED BUDGET	2003 MAYOR'S PROPOSED	2003 COUNCIL ADOPTED	ADOPTED MAYOR'S PROPOSED	CHANGE FROM 2002 ADOPTED
<u>SPENDING APPROPRIATIONS</u>							
001 GENERAL FUND	2,127,786	1,318,151	1,152,435	1,253,344	1,233,344	20,000-	80,909
100 COMMUNITY DEVELOPMENT BLOCK GRANT	413,903	410,086	11,076,000	11,854,000	11,854,000		778,000
101 NEIGHBORHOOD REVITALIZATION PROG	1,014,012	7,829,253					
108 SECTION 108 PROGRAMS	1,178,334	651,030					
126 PED OPERATIONS FUND	7,951,069	8,059,271	9,058,468	9,213,592	9,163,592	50,000-	105,124
127 ST PAUL/RAMSEY COUNTY PRINT CENTR	1,553,859	1,493,332	1,433,687	1,418,381	1,389,136	29,245-	44,551-
130 PARKING AND TRANSIT FUND	8,307,069	6,059,881	6,874,853				6,874,853-
133 HOUSING INFO OFFICE - PED	646,852	201,205					
149 CITY DWTN CAPT'L PROJS NOTE REPAY		8,523,737					
345 GOVERNMENTAL EMP & TRNG PROGRAM	4,244,364	487,499	240,419				240,419-
TOTAL SPENDING BY UNIT	27,437,248	35,033,445	29,835,862	23,739,317	23,640,072	99,245-	6,195,790-
<u>SPENDING BY MAJOR OBJECT</u>							
SALARIES	5,876,580	5,724,008	6,445,277	6,387,826	6,345,027	42,799-	100,250-
EMPLOYER FRINGE BENEFITS	1,810,714	1,705,669	1,960,206	1,949,154	1,936,079	13,075-	24,127-
SERVICES	1,924,050	2,303,748	1,938,263	2,513,916	2,520,545	6,629	582,282
MATERIALS AND SUPPLIES	654,893	724,961	734,560	655,825	655,825		78,735-
MISC TRANSFER CONTINGENCY ETC	14,048,423	23,818,398	18,298,106	12,212,596	12,162,596	50,000-	6,135,510-
DEBT							
STREET SEWER BRIDGE ETC IMPROVEMENT	1,691,847	62,153	105,000				105,000-
EQUIPMENT LAND AND BUILDINGS	1,430,741	694,508	354,450	20,000	20,000		334,450-
TOTAL SPENDING BY OBJECT	27,437,248	35,033,445	29,835,862	23,739,317	23,640,072	99,245-	6,195,790-
		27.7 %	14.8-%	20.4-%	.4-%	.4-%	20.8-%
<u>FINANCING BY MAJOR OBJECT</u>							
GENERAL FUND	2,127,786	1,318,151	1,152,435	1,253,344	1,233,344	20,000-	80,909
SPECIAL FUNDS							
TAXES							
LICENSES AND PERMITS							
INTERGOVERNMENTAL REVENUE	6,706,434	9,930,275	11,161,880	9,880,000	9,880,000		1,281,880-
FEES, SALES AND SERVICES	3,723,160	3,729,232	3,619,387	10,600,135	10,526,728	73,407-	6,907,341
ENTERPRISE AND UTILITY REVENUE	3,745,452	4,204,547	5,771,193	2,000,000	2,000,000		3,771,193-
MISCELLANEOUS REVENUE	234,135	182,796	86,600				86,600-
TRANSFERS	8,341,794	18,095,502	8,578,768				8,578,768-
FUND BALANCES			534,401-	5,838		5,838-	534,401
TOTAL FINANCING BY OBJECT	24,878,761	37,460,503	29,835,862	23,739,317	23,640,072	99,245-	6,195,790-
		50.6 %	20.4-%	20.4-%	.4-%	.4-%	20.8-%

Budget Explanation

Major Changes in Spending and Financing

For 2003, the department's staffing is down 6.3 full-time equivalent (FTE) positions from the adopted 2002 budget due to 7.5 FTEs eliminated and 1.2 FTEs added. PED has reduced 3.5 FTEs by eliminating the Housing Information Center. An additional 3.0 FTE reduction is due to the transferring the Workforce Development Program to Ramsey County, and eliminating 1 FTE at RiverPrint.

One outcome of the March 16, 2002 Summit on Diversity was several recommendations to improve the city's efforts in helping minority-, female-, and person with disability-owned businesses to establish themselves, do business with the city and prosper. To that end, the Mayor created a new position in PED to work on those Summit recommendations. This position is funded by transferring a position from the city's Affirmative Action Office and incorporating affirmative action functions into the Human Resources Office. PED also increase a .8FTE position to 1 FTE in PED Operations.

To meet Governmental Accounting Standards Board requirements, the HRA parking ramp revenues are now recorded in a new HRA fund rather than the city's Parking and Transit Fund. This change ensures that parking ramp assets, debt service, and revenues are recorded in the same fund. The remainder of the Parking and Transit Fund (parking meter and fine revenues) has been transferred to Public Works, which is responsible for collecting and accounting for meter revenues and maintaining the meters. The Parking and Meter Fund's \$100,000 contribution to the Capital City Partnership is now budgeted in PED's general fund activity.

The Community Development Block Grant Fund increases \$778,000 over 2002 due to increased program income.

PED created the Mixed-Income Housing 5000 Fund to budget and account for city and HRA funds (excluding tax incrementing financing) dedicated to the four-year, Housing Plan 5000. This fund will be budgeted at \$10 million a year in the capital improvement budget.

Department Proposals

The department did not make any above-base requests for its general fund appropriation.

Mayor's Recommendations

The mayor recommends accepting the department's submitted budget.

Council Actions

The city council adopted the PED budget with two changes. The council transferred two contracts totaling \$50,000 with two non-profit organizations (\$20,000 in general fund spending and \$30,000 in CDBG funding) to the Citizen Opportunity Participation Program budget as part of an effort to consolidate funding for various non-profit organizations. The council approved a technical change requested by the mayor to move 1 FTE from RiverPrint to Real Estate's Design Group.

Miscellaneous

Major Accomplishments (Continued)

Housing

In 2001, Saint Paul's housing programs enjoyed a very productive year. City/HRA direct expenditures for housing were nearly \$14.5 million, up 23% from the previous year. The total development cost of all housing activities was nearly \$143 million. City programs helped to build, rehabilitate, or finance 1,729 housing units. Significant progress was made in preserving and maintaining the city's existing housing stock; building new units to meet emerging market demand in Saint Paul; and ensuring the availability of affordable housing. In May 2002, the mayor and city council approved the four-year Housing Plan 5000.

In neighborhood planning, the major accomplishments were adoption of the White Bear Avenue Small Area Plan, the Trout Brook Greenway Plan and the Community Vision for Lower Phalen Creek, the Phalen Corridor Redevelopment Strategy, and the Franklin-Emerald Plan and Redevelopment Strategy. In addition, planning grants from the Metropolitan Council's Livable Communities Program funded two Smart Growth Opportunity Sites: Hillcrest Village and the area surrounding Harriet Island and District Del Sol.

Planning

In citywide planning, the major accomplishments for the last year were:

- Final adoption of the Comprehensive Plan of 2001, which is the fourth comprehensive plan in the city's history
- Concluding negotiations on the expansion of the University of St. Thomas
- Successfully advocating that the Metro Council select the Riverview Corridor (E. and W. Seventh St.) to construct a busway (but then the construction funding was rescinded by the legislature)
- Completion of the River Corridor Plan and review by the Metro Council, the Minnesota Department of Natural Resources, and the National Park Service
- A new downtown plan prepared by a task force that met for almost a year
- Participation in the Central Corridor Light Rail Transit environmental impact statement
- Analysis of the 2000 census
- Submittal of a new floodway/flood fringe study to the Federal Emergency Management Agency to keep city property owners eligible for flood insurance.

In zoning, the major accomplishments were the development of an interim "urban village" zoning district to facilitate redevelopment of the Upper Landing and the West Side Flats. This was followed by a more comprehensive proposal for urban village zoning (mixed use, higher residential densities) that can be used in other parts of the city and is undergoing public review. PED and the Planning Commission processed 73 zoning cases in 2001.